



CALPEEK

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CAMPAIGN 1990: BATTLE FOR STATE TREASURER.

Editor's note: Appointed GOP State Treas. Tom Hayes is battling for political survival against Demo Kathleen Brown in what may be one of the more interesting contests on Nov. 6th. Here is CALPEEK's first report & analysis...

...During his tenure as CA Treasurer, the late Jesse Unruh built this once obscure office into a major political and fundraising giant. So it is no wonder that both Democrats and Republicans want to have this office in "friendly" hands. But this is where things get a little sticky for the GOP, because their candidate, technocrat Tom Hayes, is about as non-political as one can get, especially compared to Kathleen Brown, daughter of ex Governors Pat (the father) and Jerry (the brother)...

...As the candidates head for the official Labor Day opening of the campaign, both are probably pretty close in terms of polling. A post primary L.A. Times poll had them dead even, while a Calif. Poll taken just before the primary showed Brown with a 35% to 28% lead over Hayes, with 37% undecided. But in terms of MONEY, there's no contest at this point. Brown is sitting on top of a \$1.2 million warchest, while Hayes is at \$25,000. However, it should be remembered that Hayes had a very bitter GOP primary with Angela Buchanan and was forced to use all of his warchest, whereas Brown spent next to nothing...

...And speaking of the primary, it was a NO WIN situation for both. Buchanan took off the gloves and really bashed away at Hayes. Her main theme was ETHICAL CONDUCT and she hit Hayes over his taking political contributions from the underwriting and brokerage houses who do business with Calif. As for Brown, she put her campaign on cruise control against unknown Compton City Treasurer Wesley Sanders. Sources say that Brown was

SHOCKED on June 6th when 315,000 Democrats cast votes for Sanders. There were probably more Demos who just didn't vote for either. In any event, this is a major problem for Brown, because she must recapture these Demos if she is to win this fall...

...As for ISSUES, Brown is attempting to portray Hayes as a poor fiscal manager, a charge that may not stick because voters have a tough time understanding the technical aspects and terminology of this office. Making her job more difficult is the fact that Calif. continues to have the HIGHEST RATINGS available from the agencies who track bond sales...

...However, at this point, Hayes is the one who seems to be playing catch up. It is the Hayes campaign that very much wants to DEBATE Brown. Usually it's the challenger who is after the incumbent, not the other way around. And as we mentioned before, it is Brown who sits atop the huge warchest, not Hayes. Brown also might try to hit Hayes on his PRO-LIFE stance, but in this particular contest the abortion issue is not a key topic...

...On the other hand, Brown also has one big problem - namely her brother, Jerry. The very mention of his name has a tendency to turn voters off like a light switch. And don't think that the Hayes' campaign isn't aware of this. When Hayes consultant Roger Ailes was in L.A. last week, he was having a ball mashing Brown, calling her, "Sister Moonbeam" and saying this election was nothing more than a stepping stone for Brown to the governor's office. Indeed, political ambition will likely surface as a key issue against Brown and Ailes is the media whiz who can make it stick...

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...Brown's media consultant is the team of Greer, Margolis, Mitchell & Associates, a D.C. based firm, which now has offices in Calif. GMM&A is perhaps best known for its recent effort on behalf of Virginia Gov. Doug Wilder. Their work in Calif. has been limited, but they have a good reputation, especially in going after incumbents...

...Bottomline: At this point, most CALPEEK insiders rate this contest as a TOSS UP. Hayes' incumbency is offset by Brown's current lead in fundraising. Stay tuned...

PETE & DIFI: S&L BASHING IS A NON-ISSUE.

Are either Demo Dianne Feinstein or Republican Pete Wilson scoring points by bashing each other with 30-second TV hits about the S&L mess? Several CALPEEK sources say NO WAY. Ads from both campaigns are almost meaningless because neither is guilty of any wrongdoing. So why the brouhaha? Many think it is the ISSUE itself. It's very hot politically and just linking a candidate to the S&L mess, even in a remote context, could hurt...

...As to why DiFi decided to hit first, some CALPEEK sources believe it was a PRE-EMPTIVE STRIKE, based on the belief that Wilson's team had already collected info about DiFi's husband, financial consultant Dick Blum, and the S&L rescue deal he put together to save Jackson County Federal S&L up in Oregon - a deal in which he got a \$325,000 consulting fee. Instead of being on the tail end of another Wilson hit (she had to respond to the ad about quotas), Feinstein's team decided to strike first with the Common Cause stuff about Wilson receiving the most S&L PAC money over the past decade. Now Wilson is counterattacking, but the whole thing may be forgotten in another week or so. Stay tuned...

CALPEEK LOOKS AT 37th AND 23rd C.D. RACES.

Editor's note: While most of the interest in this year's U.S. House elections in CA are focused on Congressmen George Brown(D), Charles Pashayan(R) and Jim Bates(D), there is some interest in other CA House races. Here's a brief CALPEEK report:

- 37th C.D. - This is the Riverside Co. district of 4-term incumbent U.S. Rep. Al McCandless(R). The district has a 49% GOP to 42% Demo registration, meaning that Demo challenger Ralph Waite has his work cut out

for him. But unlike past elections, McCandless will have to gear up and campaign because the 61-year-old Waite has good face I.D. and is raising a warchest. Waite, who was seen by millions on CBS-TV's "The Waltons," also thinks he has found an ISSUE to pound McCandless — the S&L quagmire...

...McCandless is on the House Banking Committee - that's the committee that is now holding public hearings on the S&L scandal. Recently, Waite conducted a news conference and blasted McCandless for siding with the S&L industry in his votes. McCandless says Waite is taking his voting record out of context. CALPEEK sources expect Waite may soon release a list of S&L PAC contributions McCandless has received. This is NOT to say McCandless has done anything wrong, but voters are just very suspicious at this point when it come to S&Ls...

...Waite's campaign is being run by Whitehurst & Nelson of S.F., while McCandless's campaign consultant is Bob Gouty. The RNC has sent in James Moore to assist...

...Bottomline: It will be an UPHILL fight for Waite, because McCandless is well known and well liked in the district. However, if Waite can make the S&L stuff stick, then McCandless might start to bleed...

- 23rd C.D. - This is the West L.A./San Fernando Valley district of 7-term U.S. Rep. Anthony Beilenson, a liberal Demo in every sense. In any other district, Beilenson might be vulnerable, especially given some of his votes and public statements, but not in the 23rd, where the registration runs almost 54% Demo to 36% GOP. Conventional wisdom is that if Beilenson is to be defeated, it has to be in a Demo primary, by a well-known Demo office holder who can raise a massive warchest. But GOP challenger Jim Salomon is trying to beat the odds. He's been able to raise about \$185,000 in cash, plus another \$100,000 from in-kind contributions. Salomon's ambitious fundraising caused Beilenson to solicit funds in 1989 - a full year before the campaign, something he hasn't done before. And Beilenson doesn't take PAC money...

...In terms of issues, Salomon has about 5 topics where he thinks the incumbent is vulnerable. Beilenson has been known to

vote against Israel and he pays very little attention to critical issues in his district. And then there's this constant push for a 50-cent hike in the federal gas tax to reduce the budget deficit...

...Salomon has put together an impressive list of supporters, including some well known individuals from the Westside's large Jewish community, show business and the business/GOP elite. His campaign chair is Irving Felt, while co-chairs include producer Albert Broccoli, ARCO CEO Lod Cook, oilman Marvin Davis and actor Charlton Heston. There are some 250 vice chairs...

...Bottomline: an impressive list of names doesn't mean much unless it's backed up by MONEY. To even have a shot at Beilenson, Salomon needs to spend at least \$450,000. And at this point, Salomon hasn't even hired a campaign consultant. Stay tuned...

"WOMEN'S CHOICE" SLATE DRAWS CARAL HEAT.

A planned slate aimed at 3 million, high propensity women voters is drawing fire from the CA Abortion Rights Action League, who claim that the slate's name, "Women's Choice," implies that candidates who may buy onto this new slate are PRO-CHOICE or are in favor of abortion rights. The slate is being marketed by Malibu based Calif. Communicators and Below, Tobe & Associates of Marina Del Rey. In fact, any candidate, Republican or Demo/PRO-CHOICE or PRO-LIFE, can purchase a spot on this slate...

...CARAL has launched a letter writing campaign to alert pro-choice candidates and the news media about this new slate card. In a letter to CALPEEK, CARAL said in part, "In a year when so many voters feel choice is of the utmost importance and will vote for candidates hoping to settle Calif.'s stand on abortion rights, misleading voters and taking advantage of "Choice" is not acceptable, whether or not it is unintentional."...

...Rob Rice of Calif. Communicators takes exception to CARAL's attack, saying that CARAL doesn't own the word "choice." Further, Rice says the mailer is not misleading and his organization has not misled those he has solicited. He characterizes CARAL's communication as "bordering on censorship" and "political intimidation." Stay tuned...

CAMPAIGN 1990: FALL MUNICIPAL ELECTIONS.

Editor's note: Here is a CALPEEK update on some local ballot measures facing voters Nov. 6th...

- THE LAND OF THE GIANTS - Voters in the County of Santa Clara and the cities of San Jose, Santa Clara, Milpitas, Sunnyvale and Mt. View will all be facing Measure G on the fall ballot. Measure G is a 1% utility tax and joint powers agreement (JPA) between these 6 local governments, which if approved, would allow the JPA to build a new baseball stadium for the Santa Clara GIANTS. The ballpark would be in the city of Santa Clara (on public land, with a lease arrangement with the Giants). If the combined vote of all 6 government jurisdictions is 50% + 1, the deal is oked, even if one or two of the local cities vote against the tax and JPA...

...How will Measure G fare with voters? That's the million dollar question, because there is considerable opposition, led by the Northside Residents Assn. of Santa Clara. And the battle over Measure G will most likely impact the Santa Clara mayor's race where incumbent Ed Souza is up for re-election against Councilman Jim Ash, who is an opponent of this deal. Question: Does Measure G require a 2/3rds vote under Prop 13???

- ROAD TO UTOPIA - Not really, but the newly composed joint governing board of the So. Calif. RTD and the L.A. County Transportation Commission want county voters to approve another 1/2 cent hike in the sales tax for transportation purposes. The new tax would generate an additional \$400 million a year. With all the other tax proposals on the ballot, some sources think this idea is just wishful thinking...

- JAILHOUSE ROCK - L.A. County jails are at the bursting point. Nothing new here, but L.A. County Supervisors have put a measure on the ballot which would boost the sales tax by yet another 1/2 cent. There is a legal cloud hanging over this measure because in February Sacto County Superior Court Judge James T. Ford ruled that a State law allowing six counties to up taxes for jail construction purposes was in violation of Prop. 13. The judge's ruling is on appeal...

SAN DIEGO REMAP WARS: NEW DISTRICTS OKed.

To say that some members of the San Diego City Council are unhappy campers after a new redistricting plan was approved Aug. 13 is the understatement of the year. On a 5-4 vote, the council approved what is now known as the Pratt-Hartley map. The five who voted yes are generally considered to be the pro-environment majority on the council. Unhappy over his new district is Councilman Bruce Henderson, who is generally regarded as being pro-development. Sources tell CALPEEK that Henderson will launch a referendum on the new remap plan. Also in the "unhappy camper" category is Councilwoman Linda Bernhardt. While she likes her new district, she's not thrilled that she will likely be the target of a RECALL...

PROP. 136 OKed FOR NOVEMBER BY HIGH COURT.

In case you missed it, the CA Supreme Court ruled against Lt. Gov. Leo McCarthy(D), AG John Van de Kamp(D) and others who had tried to get Prop. 136 thrown off the Nov. 6th ballot. The measure, known as the Taxpayers' Right to Vote Initiative, requires a 2/3rds vote for approval, if the tax being voted on is earmarked for a special purpose. The measure also limits tax hikes on products to no more than 1% of the value of the product. The State Supreme Court's ruling does not mean that opponents of Prop. 136 can't come back after the election, if Prop. 136 passes...

PATTI GARAMENDI HITS THE MAIL BOXES EARLY.

Patti Garamendi, wife of State Sen. John -- the slam dunk Demo candidate for Insurance Commissioner this Nov. 6, has hit voters in her husband's 5th S.D. with an 8-page, two color mailer that is very impressive. So any doubts that Peace Corps Patti wasn't serious about running for her husband's 5th S.D. seat have been blown away by this new brochure. And she sure takes a swipe at what she calls Capitol "careerists," those full-time lawmakers who have no other jobs to fall back on. Who is Patti referring to? Give you two guesses. Stay tuned...

NEW JOBS, ACCOUNTS AND PERSONNEL NOTES.

Editor's note: Here's a brief update on some new personnel developments:

- L.A. based Skelton, Grover & Assoc. retained to handle campaign management for 38th A.D. Demo candidate Irene Allert...

- MaryAlice Smith has been promoted to communications consultant at Sacto-based Townsend & Co...

- Consultant Harvey Englander will be handling Councilman Irv Pickler's campaign for Mayor of Anaheim. His Campaign Management, Inc. firm will also handle Costa Mesa Mayor Peter Buffa's reelection effort...

- Consultant Chuck Levin is taking off for Florida to work for the Demo Party in that State...

- Cynthia Durham is handling daily cmp. mgmt. for the GOP State senate campaign of Charles Bader(R-Ontario). Bader is trying to oust State Sen. Ruben Ayala(D)...

- U.S. Rep. Jim Bates(D-San Diego) has hired consultant Rick Taylor to manage his reelection campaign. Also working on the campaign is consultant Larry Remer of the Primacy Group...

- Sacto consultant Richard Ross is doing the NO side of the Sacto County/City consolidation election. Also doing another NO campaign on this same measure is political activist Roger Canfield. The YES side, which goes by the name of Citizens for a Safe & Healthy Sacramento, will be handled by Townsend & Co...

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